APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/534,201	03/24/2000	David R. Larsen	4760	2945

			EXAMINER
758	7590	09/28/2006	KRAMER, JAMES A

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ART UNIT	PAPER NUMBER
3627	

DATE MAILED: 09/28/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

	Application No.	**Applicant(s)**
Office Action Summary	09/534,201	LARSEN, DAVID R.
	Examiner	**Art Unit**	
	James A. Kramer	3627	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>28 July 2006</u>.

2a)☒ This action is **FINAL.**   2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-54* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-54* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☐ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____ .

5)☐ Notice of Informal Patent Application

6)☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in
> section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are
> such that the subject matter as a whole would have been obvious at the time the invention was made to a person
> having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the
> manner in which the invention was made.

Claims 1-54 rejected under 35 U.S.C. 103(a) as being unpatentable over Dunn et al in

view of Kreminec ("Reconciling accounts the automated way" by Kathleen Kreminec).

Dunn teaches a computer aided reconciliation method and apparatus. Dunn teaches a

bank sending a customer an electronic copy of a first list or bank statement (see column 5, line

55 through column 6 line 3).

Dunn further teaches reconciling a first list (a bank statement) formed of a first number of

first records and a second list (bank customer's list of records) formed of a second number of

second records where the records affect the account balance for the bank statement. For each

unmatched record in the first list, a corresponding record from the second list is selected based

upon a match value. Whenever the match value exceeds a threshold value, the corresponding

records from the first and second lists are paired and thereafter, are removed from further

reconciliation processing. The highest match value resulting from comparing record elements

and other attributes of records from the first and second lists is determined as a probable match

for reconciliation (see abstract).

Examiner notes that Dunn teaches all of Applicant's claimed limitations except matching

a transaction from the first list (bank statement) to a subset of transaction on the second list.

Kreminec teaches an automated reconciliation engine which allows for the matching of multiple

transactions to a summary transaction, thereby reducing the number of unmatched items that

require research.

It would have been obvious to one of ordinary skill in the art at the time of the invention

to modify the system of Dunn to include a reconciliation engine that allows for the matching of

multiple transactions to a summary transaction as taught by Kreminec. One of ordinary skill in

the art would have been motivated to modify the reference to reduce the number of unmatched

items that require research.

Examiner further notes that the specific details of the steps taken by the reconciliation

engine of Kreminec are not taught. However, as pointed out with respect to Applicant's

declaration under 37 CFR 1.131 the details of such a reconciliation engine would have been

obvious to one of ordinary skill in the art as a matching algorithm. Examiner notes that

search/matching algorithms are old and well-known in the art and have been explained and

discussed for in text books as one of the fundamental coding principles.

Further, Examiner believes that Applicant inventive concept resides not in the specific

steps associated with the searching/matching algorithm but rather in the application of these old

and well-known principles to the account reconciliation field.

As the Kreminec article teaches Recon-Plus, a reconciliation engine within the account

reconciliation field incorporating one-to-many and many-to-many searching/matching

algorithms, Examiner adopts the position that Applicant's claimed invention is obvious in view

of the prior art.

In support of this position, Examiner asserts that steps used by the reconciliation engine

of Recon-Plus and Applicant's claimed steps, at the very least represent art recognized

equivalents and therefore it would be obvious to substitute one for the other. First, they both

achieve the exact same result (i.e. reconciliation of one transaction to a subset of at least two

transactions) and second Applicant's steps do not provide an unexpected result.

Examiner reminds Applicant that this rationale was applied to the Applicant's declaration

under 37 CFR 1.131. Therefore, any argument against this position is also an argument against

said declaration.

Response to Arguments

Applicant's arguments filed 7/28/06 have been fully considered but they are not

persuasive.

Applicant asserts on the last paragraph on page 35 of the Remarks with Amendment filed

7/28/06 that "the determination of whether the claimed invention is obvious in view of Kreminic

and Dunn is a separate question from whether the declaration is sufficient evidence of conception

and reduction to practice. The Examiner has already concluded that the declaration antedates the

Checkfree reference." Examiner respectfully disagrees.

First, as pointed about above, for a Applicant's declaration to be sufficient evidence of

conception and reduction to practice the declaration must present evidence so as to fully support

the claims. The declaration present by Applicant in no way fully discloses the claimed

invention. There is nothing in the declaration which details the specific techniques. In fact there

is no description whatsoever of the particular steps, methodology, or architecture for achieving

the claimed goals. Moreover, the evidence supported does not provide code or any sort of

documentation as to how any of the operations are performed.

Moreover, the evidence provided with the declaration suggests that the actual steps for

how the Applicant intended to accomplish the matching was still in development (i.e. not

conceived). For example, Exhibit A states "Can we do some 'auto-matching' to help the process

along?" Clearly as of Friday, Feb. 5, 1999 the details for how to handle matching were not

conceived.

As for Exhibits B-E there is absolutely no disclosure of how the matching is carried out. While Applicant does provide screen shots of the result the evidence supported simply lacks any teaching of the specific steps and elements for performing the reconciliation.

As pointed out by Applicant on page 39 of the remarks with amended "claim 14 recites such specific steps as 'combining the obtained transaction to generate first value', 'determining whether the first value corresponds to a combination of the values of a subset of transaction in the second list', and 'responsive to the first value corresponding to the combination of values, indication a match between the first combination and the subset of transactions.'" There is simply nothing, in any of the evidence provided with Applicant's declaration that supports such detailed steps.

As a result of Applicant's failure to provide any support the claimed invention, Examiner noted that such specific steps must have been old and well known in the art. When Applicant aserts that "the Examiner has already concluded that the declaration antedates the Checkfree reference," Examiner must point out that said conclusion relies on the fact that the specific steps claimed by Applicant are in fact old and well known in the art. Therefore, when Applicant challenges that these steps are not old and well known in the art, Applicant is making a convincing argument that the evidence provided with the declaration is not sufficient to properly show conception prior to the Checkfree reference.

Applicant's argument that these are separate determinations is not valid.

Applicant asserts on the first paragraph of page 36 that an interview summary from 2002 outlines how the Examiner agreed that Kreminic and Dunn is insufficient to anticipate

Applicant's disclosure. Applicant further asserts that after a new search no new references were

used. Once again Examiner must respectfully disagree with Applicant one-sided characterization

of prosecution.

First, Examiner notes that the interview was conducted in 2002 yet was not mentioned

until 2005 (1/24/2005) by Applicant.   Second, Examiner notes that Checkfree (a new reference)

was introduced as a result of the new search. Lastly, Applicant filed a declaration to overcome

the Checkfree reference. As a result of the continued prosecution, Examiner now believes that

combination of Kreminic, Dunn and evidenced supplied by Applicant with declaration clearly

renders Applicant's invention non-obvious.

On pages 37-42 Applicant asserts that the references do not teach all the claim

limitations. Applicant argues that "Kreminic discusses the software's desired outcome, not any

techniques to obtain the outcome" (last paragraph page 37) and "Kreminic simply does not

disclose how the matching is carried out" (paragraph bridging pages 38 and 39).   Examiner

once again points out that Applicant's declaration lacks the same technical details.   In order to

accept the declaration these details have been taken as old and well known in the art.

Looking at the specific details, Examiner once again notes that Applicant points to claim

14 which recites the following specific steps,

- "combining the obtained transaction to generate first value",
- "determining whether the first value corresponds to a combination of the values

  of a subset of transaction in the second list", and

- "responsive to the first value corresponding to the combination of values, indication a match between the first combination and the subset of transactions."

It is the Examiner's position that these steps are clearly old and well known in the art. In fact the Examiner can think of only two ways to perform one-to-many matching. Examiner relies on the following illustration to show both methods.

User wants to match the first value 10 with more than value in the following list: 3, 4, 5, 6.

Method 1:

You match the first value with summations from the list. For example:

3+4 = 7; 7 does not match 10;

3+5 = 8; 8 does not match 10;

3+6 = 9; 9 does not match 10;

4+5 = 9; 9 does not match 10;

4+6=10; 10 matches 10 – therefore you have matched the first value 10 with values 4 and 6 from the list.

Method 2:

You subtract a value from the list from the first value and match the difference with the rest of the values in the list. For Example:

10-3 = 7; 7 doesn't match 4, 5 or 6

10-4 = 6, 6 doesn't match 5; but it does match 6 – therefore you have a matched the first value 10 with values 4 and 6 from the list.

Examiner simply can not conceive of any other method for performing one-to-many

matching. As such, the system of Kreminic must employee one of these steps. Further, it is the

Examiner's position that neither method is novel over the other one, as they are known

equivalents.

Applicant further notes that the word "recursive" never appears anywhere in Kreminic.

Once again Examiner points out that the word "recursive" is not found in any of the evidence

supplied with the declaration. Examiner notes that Webster's ninth New Collegiate Dictionary

defines recursive as "of, relating, or constituting a procedure that can repeat itself indefinitely or

until a specified condition is met."   It is the Examiner position that all reconciliation software is

recursive in that in order to automate the reconciliation process the procedures must repeat

themselves until the specified condition of reconciliation is met. Such functionality is simply

inherent as there is no other way to perform the reconciliation than to have the procedure repeat

itself.

On pages 42-43 Applicant challenges the motivation to combine the references.

Specifically Applicant challenges Examiner assertion that the modification would have been

within the knowledge of one of ordinary skill. Applicant goes on to quote Ex parte Levengood

which states, "a statement that modification of the prior art to meet the claimed inventin would

have been well within the ordinary skill of the art at the time of the claimed invention was made

because the references relied upon teach all aspects of the claimed invention were individually

known in the art is not sufficient to establish a prima facie case of obviousness without some

objection reason to combine the teachings of the reference." Examiner notes the following objection reason stated in the rejection mailed 3/29/06, "One of ordinary skill in the art would have been motivated to modify the reference to reduce the number of unmatched items that require research." (page 4, 3rd paragraph).

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.
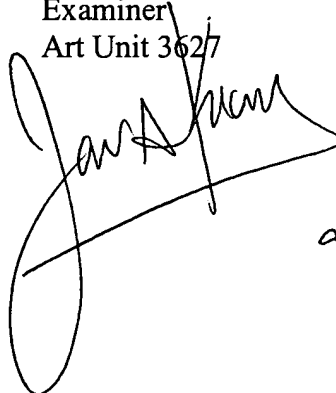
Any inquiry concerning this communication or earlier communications from the examiner should be directed to James A. Kramer whose telephone number is (571) 272 6783. The examiner can normally be reached on Monday - Friday (8AM - 5PM).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Alexander Kalinowski can be reached on (571) 272 6771. The fax phone number for

the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent

Application Information Retrieval (PAIR) system. Status information for published applications

may be obtained from either Private PAIR or Public PAIR. Status information for unpublished

applications is available through Private PAIR only. For more information about the PAIR

system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR

system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

James A. Kramer
Examiner
Art Unit 3627

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